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IMPORT RELIEF DETERMINATION

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

NOTIFICATION OF HIS DECISION NOT TO GRANT IMPORT RELIEF TO THE COPPER INDUSTRY, PURSUANT TO PUBLIC LAW 93-618, SECTION 203(b)

SEPTEMBER 6, 1984.—Referred to the Committee on Ways and Means and ordered to be printed

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THE WHITE HOUSE,
Washington, September 6, 1984.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: In accordance with Section 203(b)(2) of the Trade Act of 1974, I am writing to inform you of my decision today not to grant import relief to the copper industry.

In view of all relevant aspects of this case, I have determined that granting import relief is not consistent with our national economic interest. The imposition of import restrictions—either in the form of quotas, tariffs, or orderly marketing agreements—would create a differential between U.S. and world copper prices. Consequently, it would seriously disadvantage the copper-fabricating industry in the United States, which employed an estimated 106,000 workers in 1983, vis-a-vis foreign competitors. Such a result would, over time, shrink domestic demand for copper and add to the serious problems faced by U.S. copper producers.

Import relief would also adversely affect the export earnings of the foreign copper-producing countries, many of which are heavily indebted and highly dependent on copper exports. It would, therefore, complicate our efforts to maintain the stability of the international financial system and lessen the ability of foreign countries to import goods from the United States. Finally, there are encouraging signs that the economic recovery is beginning to have a favorable effect on world copper prices; stocks have fallen considerably this year and a significant price increase is expected in the near future. The denial of import relief on copper should act as a signal and as encouragement to our partners around the world to resist protectionist acts and, thus, will foster that recovery.

In order to help ease the difficult problems now faced by many workers in the U.S. copper industry, I have directed the Secretary of Labor to work with State and local officials to develop a plan of job retraining and relocation assistance for workers in affected industries. In addition, I have directed the Secretary of Commerce to actively monitor the domestic copper industry including inventories and the levels of copper imports.

Sincerely,

RONALD REAGAN.

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